LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7277 NOTE PREPARED: Jan 18, 2015

BILL NUMBER: HB 1617 BILL AMENDED:

SUBJECT: Mineral Estates of Unknown or Missing Owners.

FIRST AUTHOR: Rep. Sullivan

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

X DEDICATED FEDERAL

<u>Summary of Legislation</u>: This bill establishes a procedure that allows a person that: (1) is engaged in the production or development of a mineral; and (2) owns or leases a property interest in the mineral estate adjacent to, adjoining, or contiguous to the mineral interest of an unknown or missing owner of the mineral interest; to bring an action in court that allows the person to enter into a lease to produce and develop the mineral interest of the unknown or missing owner.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues: Court Fee Revenue: The bill requires that an action brought by an adjacent mineral producer must be brought in the circuit court or superior court of the county in which the land is located. If additional civil actions occur and court fees are collected, revenue to the state General Fund may increase. A civil costs fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund.

In addition, some or all of the judicial salaries fee (\$20), public defense administration fee (\$5), court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund. Revenue from the pro bono services fee (\$1) is transferred by the State Auditor to the Indiana Bar Foundation for use to assist with pro bono legal services programs in Indiana. Proceeds from the automated record keeping fee (\$5) are deposited into the State User Fee Fund.

Additional fees may be collected at the discretion of the judge.

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Explanation of Local Expenditures:

Explanation of Local Revenues: Court Fee Revenue: If additional civil actions occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 civil costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. Additional fees may be collected at the discretion of the judge.

Persons filing a civil case are also required to pay the following fees that are deposited in local funds.

The document storage fee (\$2) is deposited into the clerk record perpetuation fund.

The following fees are deposited into the general fund of the county in which the court is located:

- Document fees (\$1 per document) are charged for preparing transcripts or copies of record or certificate under seal.
- A service fee (\$10) is collected from the filing party for each defendant beyond the first cited in the lawsuit.

State Agencies Affected:

Local Agencies Affected: Circuit courts and superior courts.

Information Sources:

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